

MEETING DATE: 5/26/09

AGENDA ITEM: Adoption of a Resolution Finding a Severe Fiscal Hardship will Exist if Additional City Property Tax Funds are Seized and Additional Unfunded Mandates are Adopted by the State of California.

ATTACHMENTS

	<u>Pages</u>
1. Resolution No. 2009-R_____	1

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1 WHEREAS, on May 5, 2009, the California Department of Finance
2 announced it had proposed to the Governor that the state "borrow" over \$2 billion in local
3 property taxes from cities, counties and special districts to balance the state budget,
4 causing deeper cuts in local public safety and other vital services; and

5 WHEREAS, in the past the Governor has called such "borrowing" proposals
6 fiscally irresponsible because the state will find it virtually impossible to repay and it would
7 only deepen the state's structural deficit, preventing the state from balancing its budget;
8 and
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10 WHEREAS, the Legislature is currently considering hundreds of bills, many of
11 which would impose new costs on local governments that can neither be afforded nor
12 sustained in this economic climate; and

13 WHEREAS, state agencies are imposing, or considering, many regulations
14 imposing unfunded mandates on local governments without regard to how local agencies
15 will be able comply with these mandates while meeting their other responsibilities; and
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17 WHEREAS, the combined effects of the seizure of the City's property taxes,
18 increasing unfunded state mandates, and the revenue losses due to the economic
19 downturn have placed the city's budget under serious fiscal pressure; and

20 WHEREAS, the City of Culver City cannot sustain the loss of any more
21 property tax funds or be saddled with any more state mandates as they will only deepen
22 the financial challenge facing the City; and
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24 WHEREAS, a number of the City's financial commitments arise from
25 contracts the City must honor in full unless modified by mutual agreement of the parties.
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1 NOW, THEREFORE, the City Council of the City of Culver City, DOES
2 HEREBY RESOLVE as follows

3 1. The City Council has determined that the City will experience a severe
4 fiscal hardship if the recommendation of the Department of Finance to "borrow" \$2 billion of
5 local property taxes is supported by the Governor and the Legislature; and

6 2. The City Council strongly and unconditionally opposes the May 5,
7 2009 proposal of the Department of Finance and any other state government proposals to
8 borrow or seize any additional local funds, including the property tax, redevelopment tax
9 increment, and the City's share of the Prop. 42 transportation sales tax; and

10 3. The City Council strongly urges the state legislature and the Governor
11 to suspend the enactment of any new mandates on local governments until such time as
12 the economy has recovered and urges the state to provide complete funding for all existing
13 and any new mandates; and

14 4. The City Clerk shall send copies of this resolution to the Governor,
15 state senator(s), and state assembly member(s) of the State of California, as well as
16 the League of California Cities.

17 APPROVED and ADOPTED this _____ day of _____, 2009.
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22 _____
ANDREW WEISSMAN, MAYOR
23 City of Culver City, California

24 ATTEST:

25 APPROVED AS TO FORM:

26 _____
27 MARTIN COLE, City Clerk
A09-00187

28 
CAROL A. SCHWAB, City Attorney